

Date: 26<sup>th</sup> February 2021  
To: All Credit Union Boards of Directors and Senior Managers  
From: The Registrar of Co-operatives & Friendly Societies and Your League  
Re: HOSTING OF VIRTUAL or HYBRID AGMs DURING THE COVID-19 PANDEMIC

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As promised in our communiqué to the Movement on June 8, 2020, Your League and the DCFS have lobbied the Government to amend the Co-operative Societies Act and Regulations to allow for virtual AGMs as the country, the worldwide credit union movement and the world in general move to expanding the digitization of the financial sector including annual meetings.

Currently, no registered Credit Union/Co-operative within this jurisdiction has Rules which allow for general or annual meetings to be held electronically/virtually, only. The Co-operative Societies Act and its Regulations (The Act) explicitly prevents electronic/virtual general meetings. Regulation 17 states *“The supreme authority in a registered society shall be vested in the general meeting of members at which every member has a right to attend and vote on all questions. Subject to the provisions of section 26 of the Act, each member shall have one vote only which shall be exercised in person and not by proxy.”*

The Co-operative Societies (Amendment) Regulations 2021 allowing for virtual-only and hybrid-meetings were promulgated on the 15 January 2021 (See attached). Credit Unions will therefore need to amend their rules at the upcoming AGMs.

The following steps are recommended in tandem with the attached draft resolution to amend your current rules:

1. Amend the rule (52 or 53) giving the members the ‘right to attend’ meetings.
2. Modify the rule dealing with members’ participation at meetings.
3. Modify the rules to allow members to have access to electronic documents, communication, to vote, for the ascertainment of a quorum and to participate.
4. Introduce a rule to allow for the distinction between physical, virtual-only and hybrid-meetings.
5. Introduce a rule to allow the meeting to be held whether inside or outside of Jamaica.
6. Insert a rule to allow for voting by show of hands or electronic means.
7. Insert a rule to allow for unforeseen modification of virtual-only or hybrid-meetings.
8. Amend Rule 57 dealing with notice to members to include virtual-only and hybrid-meetings.

9. Insert rule to cause notice to include instructions for attendance, voting and electronic link for attendees.
10. Amend Rule 58 to deal with loss of quorum in the case of virtual-only and hybrid-meetings.
11. Table the draft resolution early in your meeting by requesting a motion to amend the standing orders to take the resolution after the meeting is called to order, the quorum ascertained and the welcome and opening remarks.

Disenfranchising Members

Electronic only meetings are not a perfect solution. They may prevent elderly members or members without the financial resources to have their own electronic means of communication, and others from participating in the decisions of the meetings. A significant amount of work may also need to be done on the Credit Unions' side to put in place the technological infrastructure that would enable members to participate in a meeting remotely.

It is advisable for Credit Unions to get the proposed amendments pre-approved by the Registrar before presentation of them at the AGM/SGM.

Where the Credit Union's Rules do not have 'Amendment of Rules' in its Agenda for the Order of Business at an Annual General Meeting, the suspension of the Standing Order would be to *insert* the amendment; however, where the Order of Business of an Annual General Meeting is contained within the Rules, the purpose of the Suspension of the Standing Order is to *bring up* the amendment to item 3 on the Agenda. As a result, this activity must be dealt with on a case by case basis.

Where Credit Unions need further guidance on these amendments, please contact the DCFS through Mrs. Sheryll Brown at [sheryll.brown@miic.gov.jm](mailto:sheryll.brown@miic.gov.jm) (876 927-2277) and/or Ms Celloney Bailey at [Celloney.bailey@dcs.gov.jm](mailto:Celloney.bailey@dcs.gov.jm) (876 634-5433).

Cooperatively yours,



Errol Gallimore  
Registrar  
Department of Co-operatives & Friendly Societies



Lambert Johnson  
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